

Fact Sheet on the Proposed Environmental Cooperative Agreement between Northern Engraving Corporation and Wisconsin Department of Natural Resources

Following a Public Comment Period and formal Public Hearing, the Wisconsin Department of Natural Resources (DNR), will determine whether to sign an Environmental Cooperative Agreement (Agreement) with Northern Engraving Corporation (NEC) that will include the NEC facilities in Sparta and Holmen, Wisconsin. This Agreement was developed under Wisconsin's Environmental Cooperation Pilot Program pursuant to Section 299.80, Wis. Statutes.

A. Northern Engraving Corporation Background

NEC manufactures nameplates and other industrial decoratives, using plastic and aluminum as the primary substrates. Presently NEC operates five manufacturing facilities in Wisconsin and Iowa. In addition there are several locations that provide support services to these manufacturing facilities. NEC has been actively involved in waste minimization/pollution prevention since 1988, having received recognition for its efforts on several occasions. Included is the Governor's Award for Excellence in Hazardous Waste Reduction in 1991 and 2000 and a P/E/P Award in 1994.

NEC's Sparta facility

The Sparta site is located at 803 Black River Street, Sparta, Wisconsin and includes a manufacturing facility and the corporate offices. NEC, Sparta achieved ISO 14001 registration in March of 1999 and ISO 9001 registration in March of 2000. The manufacturing facility produces decorated aluminum nameplates. A variety of processes are used in the manufacturing process, including spraying, roll coating, screen printing, lithographic printing, metal preparation, punch press, and assembly.

Sparta is located in an area that is classified as "attainment" for all criteria pollutants (Where sec. 285.01 (30) Wis. Stats. "Nonattainment area" means an area identified by the DNR in a document prepared under s. 285.23 (2) where the concentration in the atmosphere of an air contaminant exceeds an air quality standard.) In 1995 NEC Sparta submitted a Part 70 Operation Permit application. In 2000 NEC revised its application, requesting limits to be a Synthetic Minor, Non-Part 70 source. Currently the roll coating and metal spraying processes are subject to Reasonably Available Control Technologies (RACT) requirements. The other printing lines at the facility are subject to the latest available control techniques and operating practices demonstrating best current technology (LACT).

NEC's Holmen facility

The Holmen site is located at 1023 Sand Lake Road, Holmen, Wisconsin and consists of a manufacturing facility that produces decorated plastic nameplates and decals. A variety of processes are used in the manufacturing process, including roll coating, screen-printing, lithographic printing, punch press, and assembly.

Holmen is located in an area that is classified as attainment for all criteria pollutants. In 1995 NEC Holmen submitted a Synthetic Minor, Non-Part 70 Operating Permit application. Process lines at the facility are subject to the latest available control techniques and operating practices demonstrating best current technology (LACT).

B. NEC's Environmental Policy

Leading the way in environmental management, NEC, Sparta facility, was one of the first 10 facilities to earn ISO 14001 Environmental Registration in Wisconsin. They were one of only six companies to receive the Governor's Award for Excellence in Hazardous Waste Reduction in 2000. NEC has developed an Environmental Policy Statement summarizing the philosophy and principles that guide how they work with the environment. Appendix F of the draft Agreement contains NEC's Environmental Policy Statement. As of 1/2002 NEC and its Northern Automotive Systems had 6 of the 74 ISO 14001 registrations in Wisconsin, Minnesota and Iowa.

C. NEC Commits Holmen and Sparta Facilities to Superior Environmental Performance

The agreement will cover the corporate headquarters at Sparta and the NEC Holmen facility with understanding that other Wisconsin NEC facilities and their Northern Automotive affiliates may enter into this agreement through statutory process.

D. Commitments in Agreement

Following a bold policy statement NEC has shown it truly "means business". Since 1996 NEC has seen tremendous gains in reducing their emissions of volatile organic compounds and hazardous air pollutants. This is described in Appendix A and B of Agreement. Their Environmental Management Systems at Sparta is ISO 14000 registered and they have committed the Holmen facility to be fully registered by the end of 2003.

Under the Agreement, NEC has committed to keeping emissions limits well below what would be considered minor source limits by agreeing to a yearly cap on VOCs (85 tons) and HAPs (8 tons per each HAP and not to exceed 20 tons combined total for each consecutive 12 month period) and will continue to seek reductions on a yearly basis. Both NEC and DNR believe their Environmental Management System (EMS) will help to assist NEC in realizing positive environmental gains while protecting health, and economic stability for the company and the community.

E. Variances to be Granted

Though NEC has realized tremendous reductions in VOCs and HAPs over the past several years, they are currently required to operate an incinerator at its Sparta facility. By allowing them to shut down the incinerator, DNR and NEC feel that greater focus on other areas (cleanups etc.) can obtain far better environmental gains. The Agreement would provide a variance to the "once in always in" policy for RACT at the Sparta facility. Appendix E of the Agreement, a fact sheet entitled, Justification for Not Requiring the Use of Sparta Incinerator, gives more details.

The Agreement contains language that would allow NEC to construct, modify, and/or move equipment between facilities prior to obtaining a construction permit under certain conditions. The Agreement would also allow

NEC to initially operate new equipment prior to obtaining a construction permit under limited scenarios provided ambient air quality standards are protected and NEC first receives written approval from the DNR.

Both facilities would be granted variances to the LACT requirements under the agreement. VOC emissions from the Sparta and Holmen facilities may not exceed 85 tons per year averaged over 12 consecutive months. Both facilities would be restricted to 8 tons of Hazardous Air Pollutants (HAPs) for each HAP not to exceed 20 tons combined total (HAPs) per year.

The Agreement provides variances, which allows monthly record keeping and calculations in lieu of daily record keeping and calculations.

F. Benefits of Agreement

The terms of the Agreement stands to test a well designed EMS and hopes to realize substantial savings of time and labor for both DNR and NEC while seeing to public safety and achieving environmental gains. The terms of the agreement will hopefully provide economic stability for NEC and the community.

G. Community Involvement and Building Trust

Under the terms of the Agreement and requirement of an ISO 14000 registration, NEC will conduct yearly audits of its EMS and provide performance evaluations to the DNR.

NEC will also make available to the public, information on its progress and regular meetings with a community established interested persons group.

For more information:

Go to the Bureau of Cooperative Environmental Assistance website at: <http://dnr.wi.gov/org/caer/cea/ecpp/> or contact Mark Harings at (715) 831 - 3263, or e-mail at Mark.Harings@dnr.state.wi.us.